

power stations through tie-up with well performing power utilities as a pre-cursor to renovation and modernization.

- (v) Renovation, modernization and life extension of old and inefficient generation units with interest subsidy on loans by the Power Finance Corporation and Rural Electrification Corporation under "Accelerated Generation and Supply Programme (AG&SP).
- (vi) Tapping of surplus power from captive power plants.
- (vii) Utilization of unutilized capacity of gas based stations of liquied fuel.
- (viii) Strengthening/Augmentation of sub-transmission system in State under Accelerated Power Development Reforms Programme (APDRP) as a major step towards reduction of Aggregate Technical and Commercial (AT&C) Losses.
- (ix) Coordinated operation and maintenance of hydro, thermal, nuclear and gas based power stations to optimally utilize the existing generation capacity.
- (x) Optimum utilization of available power by strengthening of inter-state and inter-regional transmission capacity.
- (xi) Promoting demand side management, energy efficiency and energy conservation measures.
- (xii) Rigorous monitoring of production, transportation and supply of coal by an Inter-Ministerial Group comprising representatives of Ministry of Coal, Ministry of Power, Ministry of Railways, Central Electricity Authority and Coal India Limited on weekly/ fortnightly basis to review and resolve the constraints.
- (xiii) Procurement of hydro-electric power from Bhutan.

#### **Signing of MoU for setting up of Power Plants**

3448. SHRI K.P. K. KUMARAN: Will the Minister of POWER be pleased to state:

(a) whether the Ministry is in receipt of any request from the State Government of Tamil Nadu under MoU rules on signing of MoUs by the

State Government with 26 Foreign Companies for setting up power plants in the State; and

(b) whether the Ministry will expedite the matter since power so produced is not meant purely for the State's own consumption but is proposed to be wheeled to various other States-especially Maharashtra and Punjab?

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE): (a) Tamil Nadu Electricity Board have informed that they have received request from 26 companies for signing of MoU for setting up of power plants in Tamil Nadu totalling to a capacity 37230 MW. No specific request has been received for these 26 companies by the Ministry of Power.

(b) Government has notified the Tariff Policy under the provisions of the Electricity Act, 2003. The Policy, *inter-alia*, provides that "all future requirement of power should be procured competitively by distribution licensees except in cases of expansion of existing projects or where there is a State controlled/owned company as an identified developer and where regulators will need to resort to tariff determination based on norms provided that expansion of generating capacity by private developers for this purpose would be restricted to one time addition of not more than 50% of the existing capacity. Even for the Public Sector projects, tariff of all new generation and transmission projects should be decided on the basis of competitive bidding after a period of five years or when the Regulatory Commission is satisfied that the situation is ripe to introduce such competition".

On a clarification sought by the Central Electricity Regulatory Commission regarding those projects which were in the pipeline for finalizing their Power Purchase Agreements (PPAs) or achieving financial closure etc., the Ministry of Power issued a letter of clarification dated 28.3.2006 conveying that generation projects satisfying any one of the following conditions would be treated as falling outside the scope of relevant clause of the Tariff Policy.

- (i) When PPA has been signed and approved by the Appropriate Commission prior to 6.1.2006 or PPA has been signed and is pending before the Commission.

- (ii) Projects in whose case appraisal had been started by the financial institutions before 6.1.2006 on the basis of appropriate evidence of process of procurement of power by any utility. Provided that final PPA should be filed before the Appropriate Commission by 30.9.2006.
- (iii) Hydro projects where the Detailed Project Report (DPR) had been submitted to CEA/CWC for concurrence and where appropriate evidence of process of procurement of power by any utility exists before 6.1.2006. Provided that final PPA should be filed before the Appropriate Commission by 30.9.2006.

Government of Tamil Nadu made a request to the Ministry of Power to extend the cut-off date of 30.9.2006. The Government of Tamil Nadu was informed in September, 2006 that the outer time frame had already been provided in the aforementioned letter dated 28.3.2006 of the Ministry in view of provisions of Tariff Policy.

### **Debt burden of Dabhol Power Project**

3449. SHRI SANJAY RAUT: Will the Minister of POWER be pleased to state:

- (a) what is the Dabhol Power Project's current debt burden;
- (b) what kind of support have been provided so far by the Central Government in view of the Dabhol Power Projects debt burden so that power generation may be increased by reducing its costs of power generation; and
- (c) how much power is likely to be generated in the next three months to one year, and at what cost from the Dabhol Power Plant?

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE): (a) Ratnagiri Gas & Power Private Ltd. (RGPPL) have informed that Dabhol Power Project's debt burden, as on 31.03.2007 is Rs.7537 Crores as per their books of accounts.

(b) Government of India (GoI) has provided several fiscal incentives to RGPPL to improve the project viability which includes Mega project status to the integrated project (including the LNG facility) which has